

# **CITY COUNCIL AGENDA REPORT**

**SUBJECT: Resolution to Levy Community Facilities District (CFD) 2005-01  
(Hearthstone) for Fiscal Year 2009-10**

**AGENDA DATE: May 20, 2009**

**PREPARED BY: Judith Hashem, Finance Director**

**APPROVED FOR AGENDA BY: Ralph G. Velez, City Manager**



**RECOMMENDATION: The City Council is requested to take the following action:**

- 1. Adopt Resolution No. \_\_\_\_\_, determining and levying the special tax in Community Facilities District No. 2005-01 for Fiscal Year 2009-10.**

**BACKGROUND INFORMATION:**

The City of Calexico will levy a special tax for CFD 2005-01 to collect funds for payment of bonded indebtedness, required services, and administrative costs. Annually Imperial County requires a resolution verifying that it is the intent of the City to place a levy on the County Tax Bill for collection.

The CFD is a financing tool for a portion of the public infrastructure needed for development and allows for funding of other costs related to the development. Community Facilities Bonds are not a direct obligation of the City of Calexico. Neither the faith and credit, nor the taxing power of the City, County, State or any political subdivision is pledged to the repayment of the bonds. The bonds are limited obligations of the District payable solely from special tax revenue collected within the District.

**DOCUMENTS ATTACHED:**

- 1. Resolution No. \_\_\_\_\_**

**Agenda Item No. \_\_\_\_\_**

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**Resolution 09-\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO,  
CALIFORNIA, DETERMINING AND LEVYING THE SPECIAL TAX IN COMMUNITY  
FACILITIES DISTRICT NO. 2005-1 FOR FISCAL YEAR 2009-10**

WHEREAS, The City Council (the "City Council") of the City of Calexico is the legislative body of Community Facilities District No. 2005-1 (Hearthstone) (the "District"), which District was established pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the government code of the State of California (the "Act");

WHEREAS, the City Council adopted an Resolution establishing the District, and providing for the Special Tax in accordance with Section 53340 of the Act authorizing the levy of the Special Tax on the property located within the District; and

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Calexico as follows:

Section 1: the preceding recitals are true and correct.

Section 2: The City of Calexico hereby determined to Levy the Special Taxes to be levied in Fiscal Year 2009-10 in the District and to each parcel therein.

Section 3: The rate of each Special Tax utilized in the preparation of the Report does not exceed the amount previously authorized by Resolution and is not in excess of that approved by the qualified electors of the applicable Improvement Area of the District.

Section 4: The proceeds of the Special Tax shall be used to pay, in whole or in part, the approved costs for the subject fiscal year as provided in the City of Calexico Community Facilities District No. 2005-1 Resolution and once issued, Fiscal Agents Agreement (the "Fiscal Agents Agreement"):

- A. The Administrative costs and other incidental expenses of the District.
- B. The interest scheduled for collection on the outstanding bonded indebtedness related to the District;
- C. The principal scheduled for collection on the outstanding term bonds related to the applicable Improvement Area;
- D. The sinking payments scheduled for collection on the outstanding term bonds relating to the applicable Improvement Area.
- E. Amounts, if any, needed to replenish the applicable Reserve Account of the Bond Fund to the level of the Reserve Requirement; and

F. Amounts, if any, required to bring the amount on deposit in the Rebate Fund to the required level.

Section 5: The Auditor-Controller of the County of Imperial is hereby directed to apply the real property statement for each parcel in the District for the current fiscal year listing the Special Tax due opposite each parcel of land affected, in a line item designated "CFD Special Tax," or any other suitable designation, in accordance with this resolution.

Section 6: All applicable Special Taxes collected will be paid to the trustee for deposit in the applicable Special Tax Fund upon receipt by the City of Calexico from the Auditor-Controller pursuant to the terms of the Indenture of Trust.

Section 7: The Auditor-Controller shall, at the close of the tax collection period, promptly render to the Director a detailed report showing the amounts of the Special Tax installments, penalties, interest, and fees collected, and from which properties collected. Any expenses to be paid to the Auditor-Controller for carrying out the forgoing responsibilities shall be in accordance with a contract, if any, entered into between the district and the Auditor-Controller, pursuant to Section 29304 of the Government Code of the State of California or as otherwise provided by law.

Section 8: This resolution shall take effect immediately upon its passage and adoption.

**PASSED, APPROVED AND ADOPTED** this 20<sup>th</sup> day of May 2009, by the following vote:

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**LOUIS FUENTES, MAYOR**

**ATTEST:**

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**LOURDES CORDOVA, CITY CLERK**

**APPROVED AS TO FORM:**

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**JENNIFER M. LYON, CITY ATTORNEY**

STATE OF CALIFORNIA )  
COUNTY OF IMPERIAL ) SS.  
CITY OF CALEXICO )

I, LOURDES CORDOVA, CITY CLERK OF THE CITY OF CALEXICO, DO HEREBY CERTIFY THAT THE ABOVE AND FOREGOING RESOLUTION NO. \_\_\_\_ WAS DULY PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CALEXICO ON THIS 20TH DAY OF MAY, 2009 BY THE FOLLOWING VOTE, TO-WIT:

AYES:  
NOES:  
ABSENT:

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LOURDES CORDOVA, CITY CLERK

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